

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6983

BILL NUMBER: HB 1258

NOTE PREPARED: Jan 10, 2010

BILL AMENDED:

SUBJECT: Animal Regulation.

FIRST AUTHOR: Rep. Lawson L

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: *Retail Pet Store Requirements-* The bill requires a retail pet store to provide each person who purchases a dog or cat with a written sales disclosure form describing the animal's history, and requires the retail pet store to transmit a copy of the sales disclosure form to the Board of Animal Health (BOAH). The bill provides that a pet store must post certain information concerning the animal's history on the animal's cage. The bill specifies that a retail pet store must provide certain standards of care for the dogs and cats it sells.

Class C Infraction- The bill makes the failure to provide a sales disclosure form, the failure to post information on the animal's cage, or the failure to meet the standards of care a Class C infraction.

Fees- The bill requires a retail pet store to remit \$25 for every cat or dog sold to the BOAH for deposit in the Commercial Dog Breeder and Broker Fund (CDBBF).

Animal Fighting Promotion and Racketeering- The bill makes promoting an animal fighting contest a predicate offense under the racketeering statute.

Attending Animal Fighting Contests- The bill makes attending an animal fighting contest a Class D felony. The bill repeals an inconsistent provision.

Effective Date: July 1, 2010.

Explanation of State Expenditures: *Retail Pet Store Requirements-* The bill would require the BOAH to collect the \$25 fee for every cat or dog sold by a pet store and cat or dog information that is required by a

pet store to send to the BOAH. It is likely that the revenue would be able to be received and accounted for by the BOAH financial division. It is also likely that the BOAH could use existing licensing or administration staff to collect the cat and dog information required by the bill.

However, if additional staff were needed, a COMOT III position would require \$37,374 in FY 2011. The bill does not require the BOAH to inspect pet stores.

Animal Fighting Promotion and Racketeering- This provision would place promotion of an animal fighting contest (already a Class D felony under IC 35-46-3-9.5) under the “racketeering activity” or corrupt business influence statute. A violation of corrupt business influence statute constitutes a Class C felony. A Class C felony is punishable by a prison term ranging from two to eight years depending upon mitigating and aggravating circumstances.

Attending Animal Fighting Contests- Under current law, a person knowingly or intentionally attending a fighting contest involving animals would commit a Class A misdemeanor, or a Class D felony if the person has a prior unrelated conviction involving animals. However, the bill repeals this provision and deletes a provision for a Class D felony if a person attends an animal fight with an animal in their possession. Therefore, the bill would make it a Class D felony to knowingly or intentionally attend an animal fight on the first offense regardless of having an animal in possession. A Class D felony is punishable by a prison term ranging from between six months and three years or reduction to Class A misdemeanor.

Background: Criminal Provisions- Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$4,818 annually, or \$13.20 daily, per prisoner. However, any additional expenditures are likely to be small. The average length of stay in Department of Correction (DOC) facilities for all Class C felony offenders is approximately two years, and for all Class D felony offenders is approximately ten months.

DOC statistics report that during CY 2008, seven persons were committed to a DOC facility for committing a crime under the list of racketeering activity and thus guilty of being a corrupt business influence. There were two commitments for a violation of IC 35-36-3-9 (animal fight contest) during CY 2008, but none for specifically promoting an animal fighting contest under IC 35-36-3-9.

Explanation of State Revenues: *Fees-* This provision would bring an indeterminable increase to state revenues. Fees from the sale of cats and dogs would be deposited into the CDBBF, which went into effect January 1, 2010, under P.L. 111-2009. Revenue from the CDBBF is to be used by the BOAH for the inspection of commercial dog breeding operations and the enforcement of the commercial dog breeder and commercial dog broker statute. Revenue in the CDBBF does not revert to the state General Fund at the end of a state fiscal year.

Felonies- If additional court cases occur and fines are collected, revenue to both the Common School Fund (from criminal fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class C felony is \$10,000. The maximum fine for a Class D felony is \$10,000. However, any additional revenues would likely be small.

Infractions- If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70

would be assessed. The distribution percentages of the court fee and the additional fees charged are the same as stated above.

Background- The U.S. Census Bureau reports that there were 8,721 pet stores in the United States in 2007. Two percent attributed to Indiana would be approximately 174 pet stores. In 2002, the Bureau reported that Indiana had 160 pet stores.

Explanation of Local Expenditures: *Felonies*- If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. The average cost per day is approximately \$44.

Explanation of Local Revenues: *Felonies and Infractions*- If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, the amounts would likely be small.

State Agencies Affected: BOAH, DOC.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Indiana Sheriffs' Association, DOC; U.S. Census Bureau.

Fiscal Analyst: Chris Baker, 317-232-9851.